

SUBCOMMITTEE NO. 1 on Education



Subcommittee No. 1
Chair, Jack Scott
Member, Bob Margett
Member, Joe Simitian

Friday, May 18, 2007
9:30 a.m.
Room 112, State Capitol

AGENDA – PART A

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| 6110/6870 | Proposition 98 | |
| | May Revise Overview – Legislative Analyst’s Office & Department of Finance | |
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6110 Department of Education

ISSUE 1. Federal Local Assistance Adjustments - May Revise Letters

DESCRIPTION: The DOF May Revise Letters propose adjustments to two budget items that reflect changes in the level of federal funds available in 2007-08:

1. 6110-240-0890, Local Assistance, Advanced Placement Fee Waiver Program (Issue 796)

It is requested that this item be increased by **\$183,000** due to increased participation and increased federal funding. The funding will be used to reimburse school districts that provide waivers of a portion of Advanced Placement test fees for eligible, economically-disadvantaged pupils.

2. 6110-201-0890, Local Assistance, Child Nutrition Program (Issues 797 and 794)

It is requested that this item be increased by **\$18.0 million** due to anticipated growth in the Child Nutrition Program. The SDE estimates a 1.7-percent increase in the number of meals served in California schools in 2007-08. Local educational agencies will be reimbursed for meals served through the federal entitlement program.

It is also requested that this item be increased by **\$218,000** to reflect the receipt of a federal grant for providing training and technical assistance to local educational agencies implementing local wellness policies.

It is further requested that provisional language be added as follows to conform to this action:

X. Of the amount appropriated in Schedule (1) of this item, \$218,000 is provided from one-time federal funds for providing training and technical assistance to local educational agencies implementing local wellness policies.

RECOMMENDATION: *Staff recommends* approval of May Revise items 1-2, as listed above. These proposed items reflect federal local assistance adjustments that are technical in nature.

6110 Department of Education

ISSUE 2. State Operations – CDE Staff and Operating Expenses

DESCRIPTION: The Governor proposes a number of staff and expense adjustments for the California Department of Education (CDE).

The Governor's January 10 budget proposes the following staffing adjustments for CDE that were heard by the Subcommittee on May 8th:

1. **State Board of Education Positions.** Fully restores funding for staff and operations at the State Board of Education in 2007-08. The budget adds **\$1,536,000** in General Funds (Non-98) and **\$53,000** in reimbursements to restore **9.2 staff positions** and other operating expenses for the State Board. The Legislature eliminated all funding for the State Board's staff and expenses in the 2006-07 budget in response to State Board actions on English/Language Arts curriculum as it affects the availability of instructional materials for English learners. [Note: The Finance April Budget Letter requests \$425,000 in General Funds for CDE to cover the operational costs of the State Board in 2006-07. The Administration is pursuing legislation for this current year deficiency. No budget action is requested. (Issue 641).]
2. **Education Data Exchange Network (EDEN).** Provides **\$112,000** in federal funds and **1.0 position** to coordinate workload for the Federal Education Exchange Network. As proposed, this position would be devoted half time to the EDEN program and half-time for California Longitudinal Pupil Achievement Data System (CALPADS). The Department of Education had requested four new data positions – one each for EDEN and CALPADS and two for California Longitudinal Teacher Integrated Data System (CALTIDES). The Governor's budget funded only one of these positions, split between EDEN and CALPADS.
3. **Career Technical Education.** Continues **2.0 positions** and **\$160,000** for career technical education programs funded half from state General Funds and half from federal Perkins funds.
4. **Career Technical Education.** Augments staff for career technical education by **2.0 positions** and **\$278,000** to implement new accountability requirements created by the reauthorized federal vocational education (Perkins) act. Federal Perkins funds of \$139,000 are matched by \$139,000 in state General Funds. Under the new federal program, the Department of Education will be required to annually evaluate school district performance against established goals.
5. **School Mental Health Network.** Converts **3.0 positions** from limited-term status to permanent status and provides **\$633,000** for implementation of the Mental Health Services Act (Proposition 63) in school districts. Proposition 63

was passed by voters as Proposition 63 in 2004. The proposed funding and positions will institute a permanent partnership with the Department of Mental health to support training for school districts and mental health services agencies to promote early recognition of children's mental illnesses.

6. **Educational Technology Program.** Remove **3.0 positions**, established on a limited-term basis, and **\$378,000** in federal funds for the Education Technology program.
7. **Child Nutrition Information and Payment System (CNIPS).** Remove **7.8 positions** and **\$3,199,000** in federal nutrition funds and add **6.3 positions** and **\$2,639,000** in federal nutrition funds for administration of CNIPS.
8. **Fresh Start Pilot Program.** Eliminates **1.0 position** for claims processing and **\$174,000** in state General Funds for administration of Fresh Start Pilot Program. This pilot program, funded with one-time funds in 2005-06, covers the costs of purchasing additional servings of fruits and vegetables for students. Most of the \$18.2 million in one-time funds provided for the program has been expended.
9. **State Preschool Expansion.** Continue **1.0 position** and **\$150,000** in state General Funds for expansion of the State Preschool Program established in Chapter 211; Statutes of 2006 (AB 172/Chan).
10. **Certificated Staff Mentoring Program.** Adds **1.0 position** and **\$101,000** in state General Funds to administer the Certificated Staff Mentoring program, established by Chapter 517; Statutes of 2006 (SB 1209/Scott). This new programs provides support and mentoring to new teachers in low-performing schools.
11. **English Learner Best Practices Pilot Program.** Add **1.0 position** and **\$100,000** in federal Title III funds for administration of the English Learner Best Practices Pilot program established by the 2006-07 budget.

The Governor proposes the following additional adjustments to the CDE state operations budget as a part of the May Revise letter:

12. **Supplemental Instructional Materials Administration.** It is requested that item 6110-001-0890 be augmented by \$220,000 federal Title III funds to continue 2.0 limited-term positions for one year. The positions will address workload associated with \$30.0 million provided in 2006-07 for local educational agencies to purchase supplemental instructional materials for English learners. Specifically, the positions will conduct the prescribed instructional material verification and grant award process required by paragraph 10 of subdivision (a) of Section 43 of Chapter 79 of the Statutes of 2006. **(Issue 010).**

It is further requested that provisional language be added as follows to conform to this action:

X. Of the funds appropriated in this item, \$220,000 of federal Title III funds is available to continue 2.0 limited-term positions for one year to handle the verification process prescribed by Chapter 79 of the Statutes of 2006 and allocate funding for local educational agencies to purchase standards aligned supplemental instructional materials for English learners.

13. Facility Costs for Bus Driver Training Program. It is requested that this item be increased by \$182,000 for new facility lease costs necessary for the administration of the School bus Driver Instructor Training Program. A new facility will replace the current office and classroom located on the grounds of the California Highway Patrol Academy in West Sacramento, which is slated for demolition at the end of the 2006-07. **(Issue 161)**

It is further requested that Provision 1 be added as follows to conform to this action:

1. Of the funds appropriated in this item, \$182,000 is only available for increased lease costs to secure new office and classroom space necessary for the operations of the School bus Driver Instructor Training Program.

RECOMMENDATIONS: *Staff recommends* that the Subcommittee approve items 1-13 as proposed in the Governor's January 10 budget and May Revise letter. Related to approval of item 1, *staff also recommends* that the budget for the State Board of Education be established as a separate budget item for CDE within the budget bill.